



EAST BOULDER COUNTY WATER DISTRICT

P.O. BOX 18641, BOULDER, COLORADO 80308-1641
303.554.0031 ♦ WWW.EASTBOULDERWATER.COM

December 31, 2016

Dear District Member:

This letter is to notify you of the 2017 Water Rates. The District's revised 2017 Water Rates will be effective January 1, 2017 (first reflected in the January 31, 2017 billing). These revenues support all of our operating expenses, plus the cost of any future capital improvements and repairs. (We cannot use existing taxes for these purposes—these may be only used to retire our bonds.) The water rate requirements were set in the public meeting held December 12, 2016.

The District's water source is the City of Lafayette. This is the second year of six years of five percent water rate increases, through 2021. There are three main reasons for the water rate increases:

1. The need to cover costs to operate, maintains, repair and upgrade the water supply and treatment system.
2. Provide sufficient income to ensure debt coverage and adequate capital reserves.
3. To have sufficient funds to provide additional raw water storage and water transmission pipelines to ensure the City's water supply future.

The District has encountered additional maintenance costs and with the aging of the District's water distribution system, there are concerns that additional reserves will be needed for capital improvements as well as additional maintenance activities. With the increase in the cost of water provided by the City of Lafayette, our rates must be increased equivalently. The District Service Charge for Connected Households increased by five (5) percent. The District Service Charge for Non-connected Household was increased by five (5) percent. All marginal rates have been increased by five (5) percent.

On the back of this letter, you will find the January 1 Water Rate Calculator for 2017.

Please feel free to contact any board member if you have any questions about the new rates.

Sincerely,

East Boulder County Water District Board of Directors

/s/ Mark A. Johns

Mark A. Johns, President
303.554.0031 mailbox 3
president@eastboulderwater.com

MARK A. JOHNS
*PRESIDENT
TREASURER*

RICHARD MOELLER
VICE-PRESIDENT

ROBERT CHAMP
SECRETARY

BILL HOFGARD
DIRECTOR

YVONNE GATES
DIRECTOR